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Administrative Bulletin #96-2

**TO:** Interested Persons

**FROM:** John Gross, Director *X*  
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Health Policy and Systems Compliance Division  
Minnesota Department of Health

**DATE:** September 23, 1996

**RE:** Minnesota Statutes Section 62Q.14

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The purpose of this Administrative Bulletin is to inform Minnesota health plan companies of the manner in which they must pay for health services provided pursuant to Minn. Stat. §62Q.14.

Minn. Stat. §62Q.14 provides as follows:

No health plan company may restrict the choice of an enrollee as to where the enrollee receives services related to:

- (1) the voluntary planning of the conception and bearing of children, provided that this clause does not refer to abortion services;
- (2) the diagnosis of infertility;
- (3) the testing and treatment of a sexually transmitted disease; and
- (4) the testing for AIDS or other HIV-related conditions.

This statute addresses where enrollees may receive these four categories of services but only to the extent these categories of services are covered under the enrollee's contract or certificate of coverage. ***Nothing in §62Q.14 should be construed to add benefits not otherwise provided in the enrollee's contract or certificate of coverage.*** For example, if the enrollee does not have a prescription drug benefit, this statute does not require the health plan to cover prescription drugs for family planning or treatment of STD.

This statute requires health plan companies to pay for these specific covered health services no matter where enrollees receive these services. There can be no co-payment differential based on where the services are received. Even if the services are received from non-network, non-participating providers, the enrollee's co-payment must be identical to the co-payment that is charged when these services are obtained from network, participating providers. For health plans with more than one tier of benefits, the enrollee's co-payment must be assessed at the tier 1 level (the highest level of coverage). Similarly, for staff model HMOs, the out-of-pocket cost to the enrollee cannot be any more than it would be if these services were obtained from the HMO.

When 62Q.14 services are provided by non-network, non-participating providers, the health plan company must pay billed or actual charges for these services. Payment of less than billed charges may result in the provider billing the enrollee for the balance of the bill. Balance billing will penalize the enrollee for going out of network, effectively restricting the enrollee's choice as to where these services are received in violation of the clear intent of 62Q.14.

Health plan companies cannot use credentialing requirements to restrict where enrollees choose to receive 62Q.14 services. For example, if health plan companies cover family planning services, then health plan companies must pay for normal family planning services. Therefore, regardless of where, or from what type of provider, the enrollee receives normal family planning services, the health plan company must pay for these services. However, to the extent any of these services require prior authorization from the health plan company, prior authorization is still allowed under 62Q.14.

For enrollees who have prescription drug coverage, health plan companies must provide full coverage for prescriptions provided in connection with 62Q.14 services, including prescriptions written by non-network, non-participating providers and prescriptions dispensed by non-network, non-participating providers. For example, birth control pills and other birth control devices, Norplant, DepoProvera and prescriptions to treat a sexually transmitted disease, must be covered, if currently covered by the health plan.

Please note that this law is limited to the *testing* for AIDS and other HIV-related conditions. Therefore, a health plan company could limit its coverage for ongoing treatment to services received from network-participating providers. Similarly, this law is limited to the *diagnosis* of infertility and does not include ongoing treatment for infertility.

Any questions about this bulletin should be directed to Kathleen Hulting, Minnesota

Department of Health, 612-282-5609 or John Gross, Minnesota Department of Commerce, 612-296-6929.